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DA 09-1792

Released: August 11, 2009

## DOMESTIC SECTION 214 AUTHORIZATION GRANTED

Domestic Section 214 Application Filed for the Transfer of Certain Assets of True LD, LLC to STi Prepaid, LLC

WC Docket No. 08-92

## By the Chief, Wireline Competition Bureau:

Pursuant to section 214 of the Communications Act of 1934, as amended (Act), 47 U.S.C. § 214, and sections 0.91, 0.291, and 63.03 of the Commission's rules, 47 C.F.R. §§ 0.91, 0.291, 63.03, the Wireline Competition Bureau (Bureau) approves the application of True LD, LLC (True LD) and STi Prepaid, LLC (STi Prepaid) (together, Applicants) requesting approval to transfer True LD's assets related to the provision of prepaid calling card services to STi Prepaid. The Bureau has determined that grant of this application serves the public interest, and accordingly the application is granted pursuant to the Commission's procedures for domestic section 214 transfer of control applications.

APCC had opposed a grant of this application, arguing that True LD and two related telecommunications carriers failed to pay dial-around compensation due to various payphone service providers and that the companies failed to respond to several informal complaints on this issue that were pending at the Commission.<sup>4</sup> APCC argued that it is not in the public interest to approve the transaction when an applicant has consistently failed to pay debts accrued in violation of the Commission's rules and that the Bureau should deny the application or condition a grant on resolution of the complaints and satisfaction of the outstanding payphone compensation obligations.<sup>5</sup> On July 23, 2009, APCC withdrew

<sup>&</sup>lt;sup>1</sup> See Domestic Section 214 Application Filed for the Transfer of Certain Assets of True LD, LLC to STi Prepaid, LLC., WC Docket No. 08-92, Public Notice, 23 FCC Rcd 9931 (WCB 2008); Notice of Removal of Domestic Section 214 Application from Streamlined Treatment, WC Docket No. 08-92, Public Notice, 23 FCC Rcd 11042 (WCB 2008). APCC Services, Inc. (APCC) filed comments on July 7, 2008. Applicants filed reply comments on July 14, 2008. APCC and Applicants submitted additional filings during the pendency of this proceeding.

<sup>&</sup>lt;sup>2</sup> Implementation of Further Streamlining Measures for Domestic Section 214 Authorizations, CC Docket No. 01-150, Report and Order, 17 FCC Rcd 5517, 5529, para. 22 (2002).

<sup>&</sup>lt;sup>3</sup> 47 C.F.R. § 63.03.

<sup>&</sup>lt;sup>4</sup> APCC Comments at 1-4.

<sup>&</sup>lt;sup>5</sup> APCC Comments at 5-8 (citing 47 U.S.C. § 276; 47 C.F.R. § 64.1300). On February 9, 2009, APCC filed a formal complaint under section 208 of the Act, 47 U.S.C. § 208, against True LD and its related companies for

its objections to the proposed transaction, stating that it has resolved with True LD, its related entities, and its principals any outstanding obligations they may have had under the Commission's payphone compensation rules.<sup>6</sup>

After careful consideration of the record in this proceeding, we conclude that a grant of this transaction is in the public interest. The concerns APCC raised have been resolved as they relate to True LD's payphone compensation obligations, and consummation of the transaction will not alter True LD's responsibility to comply with any Commission requirements. We find that this transaction, which Applicants state will result in the assets being transferred to an established prepaid calling card provider with financial resources and the expansion of services for consumers, is in the public interest. We are thus satisfied that the proposed transaction should be granted.

The Bureau finds, upon consideration of the record, that the proposed transfer will serve the public interest, convenience, and necessity, and therefore grants the requested authorization. Pursuant to section 1.103 of the Commission's rules, 47 C.F.R. § 1.103, the consent granted herein is effective upon the release of this Public Notice. Petitions for reconsideration under section 1.106 or applications for review under section 1.115 of the Commission's rules, 47 C.F.R. §§ 1.106, 1.115, may be filed within 30 days of the date of this Public Notice.

For further information, please contact Jodie May, (202) 418-0913, Competition Policy Division, Wireline Competition Bureau.

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failure to pay dial around compensation. *APCC Services, Inc. v. True LD, LLC, West Star Telecommunications, LLC, and Global Access LD, LLC, a/k/a Global Access Telecom, a/k/a Global Access, Inc.*, Formal Complaint, File No. EB-09-MD-002 (filed Feb. 9, 2009).

<sup>&</sup>lt;sup>6</sup> Letter from Albert H. Kramer, Counsel for APCC, to Marlene H. Dortch, Secretary, FCC, WC Docket No. 08-92 (filed July 23, 2009).

<sup>&</sup>lt;sup>7</sup> See UCN, Inc., Transferee, Transtel Communications, Inc., Tel America of Salt Lake City, Inc., Extelcom, Inc., Transferors, Joint International and Domestic Application Pursuant to Section 214, Order on Reconsideration, WC Docket No. 05-198, 20 FCC Rcd 16711, 16714-15, para. 9 (WCB 2005) (stating, with regard to a transferor in a consummated section 214 transfer of control application, that the Act expressly grants the Commission jurisdiction to adjudicate complaints for alleged violations of the Act by common carriers and that the Commission maintains jurisdiction over a common carrier for any alleged violations if that carrier is deemed a common carrier at the time of the alleged violations).

<sup>&</sup>lt;sup>8</sup> True LD, LLC and STi Prepaid, LLC, Application for Consent to Transfer Control of Assets Pursuant to Section 214 of the Communications Act of 1934, as Amended, WC Docket No. 08-92 at 3 (filed June 16, 2008)